



London



**The
Circular
Start Up**



2023

IMPACT REPORT

Content

01. Executive Summary

02. Introduction

03. Programme Structure

04. Background

05. Delivery

06. Outcomes

07. Conclusion



IMPACT HUB London

At Impact Hub London (IHL), we empower entrepreneurs to thrive in London and beyond, fostering an ecosystem where business and profit serve both people and the planet. For 15 years, we have been at the forefront of supporting social entrepreneurs, inspiring, connecting, and enabling individuals to drive entrepreneurial action for a just and sustainable world. As part of a global network of 110+ Impact Hubs and over 26,000 impact-driven members, we accelerate changemakers' initiatives by providing an inspiring workspace, comprehensive business support, and valuable networks.



“ The Circular StartUp programme was an inspiring journey—to witness the innovative circular solutions developed by local Londoners and their enthusiasm to learn and model their business. The programme grew an amazing network of aspiring entrepreneurs, mentors, and circular economy experts. The Highlight for me was the resilience and confidence we could see in each entrepreneur by end of the programme. Impact Hub London is grateful for the achievements and lessons from this climate programme and we are excited to do more in this space.

Mouli Chatterjee

Senior Programme Manager, Impact Hub London

Executive Summary



Impact Hub London's the Circular Start-Up programme is a pioneering initiative aimed at fostering environmental entrepreneurship and promoting inclusivity in London's business landscape. Over the course of 18 months, participants undergo a transformative journey, equipped with essential skills and knowledge to navigate the circular economy terrain. Through strategic partnerships with ReLondon and the Ellen MacArthur Foundation, the program empowers participants to actively engage in the climate space and develop sustainable business models.

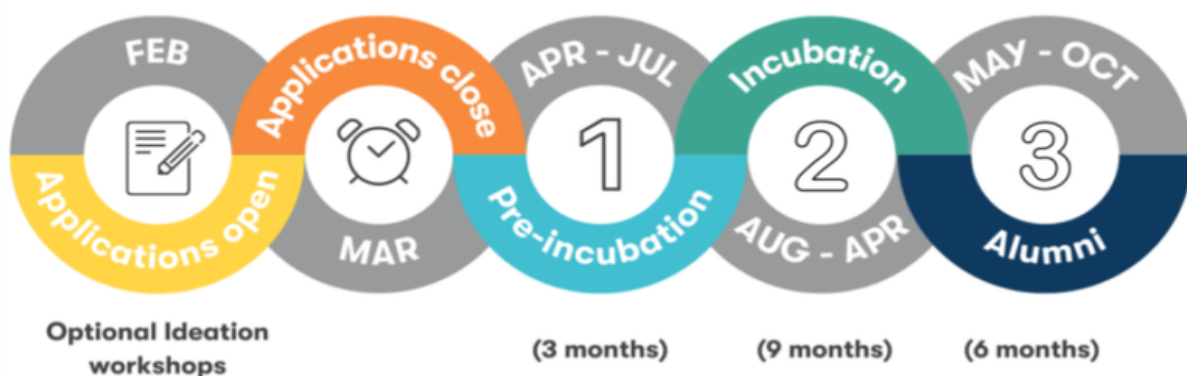
The programme's impact is significant, with over 285 individuals engaged throughout the phases, resulting in 21 formalized businesses. Notable outcomes include a 26% increase in climate knowledge among participants and a 38% increase in awareness of climate change issues in London. Moreover, participants have made substantial strides in business skills, with notable improvements observed in areas such as product/market fit and environmental/social impact assessment.

Introduction

The United Kingdom is at the forefront of developing 'green enterprises,' presenting new opportunities for business development. However, the climate sector poses high entry barriers, particularly lacking adequate support for socioeconomically disadvantaged communities. The Circular Start-Up programme (CSU) addresses this gap by empowering aspiring entrepreneurs to launch circular economy solutions, fostering inclusion and sustainability in London's environmental entrepreneurship landscape.

Programme Timeline

CSU unfolds over several key phases, each meticulously crafted to guide participants through their entrepreneurial journey. Following completion of each phase, participants went through a selection process, to choose which ideas will receive additional support and refinement. This iterative approach ensures that each project gets the best possible support maximizing the programme's effectiveness in nurturing successful circular economy entrepreneurs.



Background

The Problem

London faces substantial challenges concerning waste management, diversity in business leadership, and a quickly growing sustainable business sector. Annually, the city generates a staggering 7 million tonnes of waste from homes, public buildings, and businesses. Only 52% of this waste currently undergoes recycling. (London.gov.uk)

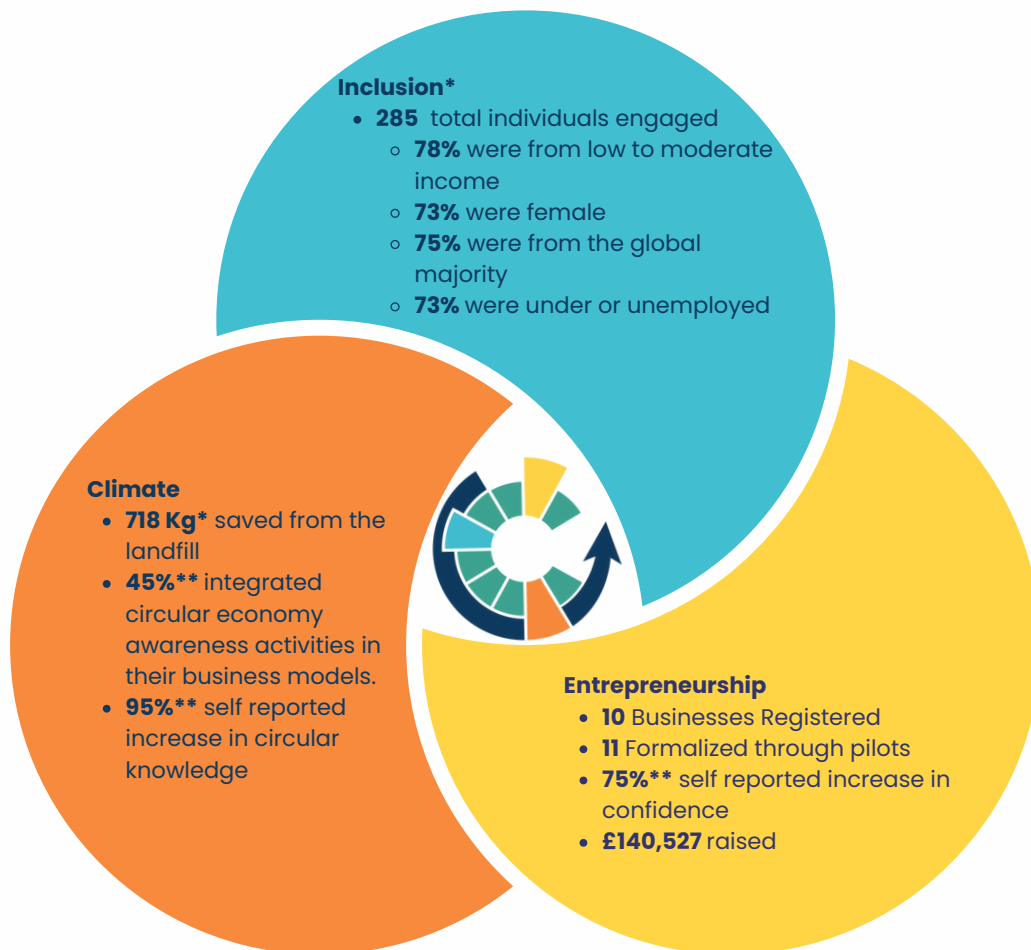
Moreover, the city grapples with a lack of diversity in its business leadership landscape. Recent research by the Federation of Small Businesses reveals that 15% of Small and Medium Enterprises (SMEs) in the UK are led by women. Furthermore, less than 5% are steered by the global majority, a stark contrast to the 42% representation of the global majority in the city's workforce alone.

Circular Economy

The circular economy aims to keep products and materials in continuous circulation within the economy, maximizing their value for as long as possible. This is achieved through practices like reusing, recycling, remanufacturing, offering products as services, and promoting sharing. The circular economy not only boosts resource efficiency but can shield businesses from volatile commodity prices. It offers a chance to establish a more stable operational setting for manufacturers, retailers, and consumers. Particularly in the modern economic landscape, circular economy models hold promise for London, potentially generating new revenue streams, markets, and product varieties.

Impact Areas

Operating at the intersection of climate action and social inclusion, Impact Hub London's business incubation programs serve as catalysts for transformative change. These initiatives encourage entrepreneurs to address pressing environmental challenges while promoting diversity and equity in business leadership. The data presented below highlights the concrete outcomes achieved in climate impact, entrepreneurship development, and inclusive engagement.



Note on the Data Presented in this Diagram: Data collection occurred at both the commencement and conclusion of each phase (ideation, pre-incubation, incubation, and alumni). For clarity, please reference the following legends:
 * denotes the total numbers reported over the 18-month duration.
 ** signifies results derived from data collected from the 24 graduates."



DELIVERY

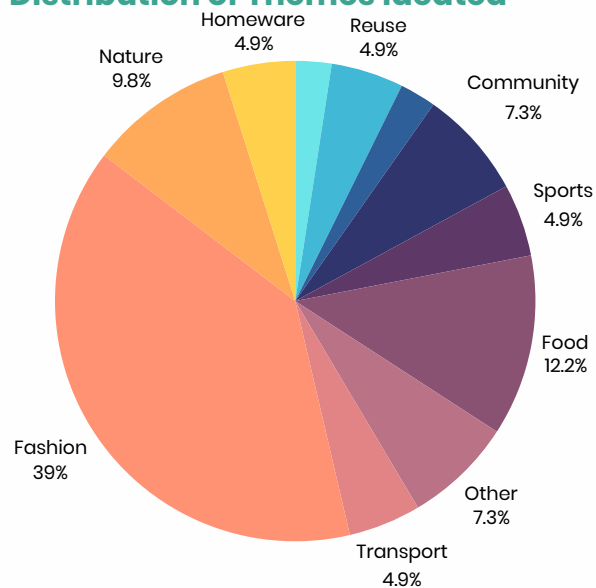
Ideation

During the ideation phase, the programme aimed to increase awareness of circular economy principles and encourage individuals to explore solutions through idea-generation sessions. The programme partnered with various community organizations in targeted areas around London to provide opportunities to potential entrepreneurs who were furthest away from the climate space due to socio-economic reasons.

Over three months, the programme engaged with over 285 individuals, conducting five ideation workshops, 18 support sessions, and 18 office hours. Notably, 78% of participants were from low to moderate-income backgrounds, 73% were female, 75% represented the global majority, and 73% were unemployed or underemployed.

The programme set out to demystify the concept of circular economy and climate change by removing scientific jargon that is usually used in this space. Through the information sessions, participants were able to expand their understanding and explore different solutions inspired by their lived experiences and surroundings.

Distribution of Themes Ideated



The ideation phase generated 81 applications from diverse themes with ideas around circular fashion comprising 36% followed by food initiatives at 11% and nature-focused ideas at 9%.



“Before the programme, I thought [Circular Economy] was more products and recycling. I thought it was more restrictive than it is but now I understand it's an ecosystem.”
 - Chiho Sharp, programme participant

Pre-incubation

The pre-incubation phase focused on refining ideas into viable business plans and enhancing entrepreneurial skills. Using the Step-Forward curriculum, **50 individuals/ 43 Business ideas** underwent a structured process for idea validation.



A modular programme that provides the necessary support for individuals and teams to cultivate foundational business skills and confidence in advancing their early-stage business concepts. It comprises 7 self guided modules with engaging videos, case studies, theoretical frameworks, worksheets, and reflective exercises.

This is further synthesized through facilitated peer sessions, tailored 1:1 support, and partner events by ReLondon and Doughnut Economics Action Lab, participants increased their entrepreneurial skills and expanded professional networks. Notably, a significant **20% average improvement in business skills** was observed, with **70% successfully formulating strategies to validate their business concepts**.

Barriers to Inclusion

During this phase, programme managers identified barriers such as language and digital support barriers that kept participants from fully engaging with the sessions. This was addressed by the team through signposting our participants to external support and engaging with additional 1-1 support.

Case Study: Naomi Bid

Naomi Bid is the founder of Worn-in Glory, a clothing line that reworks high-quality cotton t-shirts into smart casual pieces to update your wardrobe.

During the pandemic, I started reflecting on the environmental damage being done to the planet and felt that I wanted to do something rather than just feel helpless about it. I came across the term Circular Economy. I immediately thought 'I want to be a part of that'. I started reading more and more about it, trying to connect with other people, I just didn't know exactly how to get there. I then came across the Circular Start Up programme by Impact Hub [London] and everything just clicked.

It was eye opening and inspirational to meet such a diverse group of peers, and there's a wonderful sense of community that is fostered by [Impact Hub London]. I particularly remember when I got to read my business canvas to the rest of my group and received a lot of positive feedback and support. The organisers have been very supportive throughout the whole journey, and the course material was pragmatic and practical.



It helped me gain the clarity I needed to better define my vision, and I've been able to go from a fuzzy idea to a much more concrete vision with a step-by-step plan of how to get there. I'm proud of the work I've done and I'm also doing this for my daughter, I want to set the right example for her and to help create a better world for her."

Incubation Phase

In the Incubation phase, **31 individuals/ 27 Business Ideas** received tailored 1-1 support, expert mentorship, and engaged in mixed workshops. A total of 106 hours of support per business provided technical and emotional guidance, significantly impacting participants during the challenging business development phase. Participants highlighted the value of the programme's reinforcement, emphasizing the support provided by programme managers and the crucial role of peer learning in fostering community and collaboration.



“Programme Managers were amazing. Having goals and making you accountable for it. When things were bad, you didn’t feel alone, someone was there egging you on and saying look it isn’t that bad. Being an entrepreneur can be super lonely. Having people on that are on the same journey is important.”

–Frances Pairaudeau, Founder, Greens Made Easy

Equity challenges were addressed through crowdfunding campaigns and signposting to external opportunities in the climate space. At the end of the programme participants raised **£140,500** collectively, with standout achievements like Greens Made Easy securing a £37,000 grant from the Shine programme by Swiss Re.

Christmas Market

Impact Hub London ran a Christmas market in 2022 to provide an opportunity for programme participants to test their products in the market and pitch to customers. A collective £700 were made during the market day. A total of 13 participants joined. 89% of the participants found the market very useful.



Alumni Phase

The Alumni Phase was designed to ease the entrepreneurs into their individual journeys. **24 individuals/ 23 Business Ideas** received light touch mentorship and bi-monthly check-ins, peer sessions to provide the necessary guidance to allow the entrepreneurs to lead their business plans into actualization.



Masha Guyard, a passionate quilter with a background in community engagement and education, embarked on a journey to establish Each One, Teach One—a community scrap and quilting studio aimed at empowering low-income communities in Hackney. Masha secured a workshop space and utilized scraps and donations to offer free quilting sessions, fostering creativity and problem-solving skills.

Today, Masha is a full-time entrepreneur, making strides in her circular business. Her work has graced Paris Fashion Week, and she collaborates with a designer to repurpose textile scraps into quilted products, exemplifying the transformative impact of entrepreneurship nurtured by the programme.

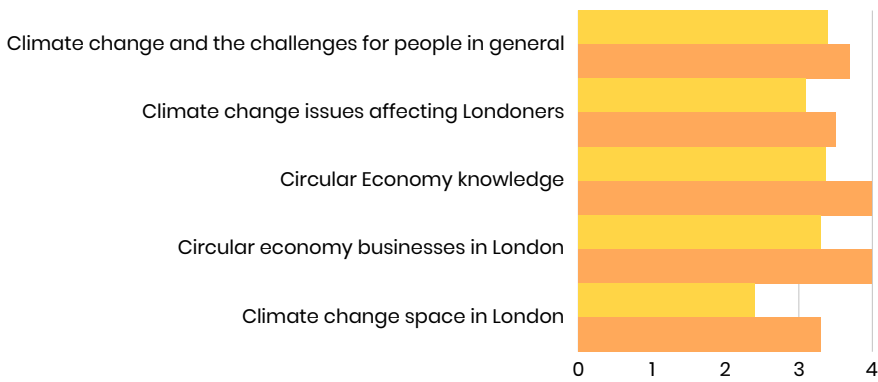
Alexander Rose has dedicated the past 15 years to supporting individuals transitioning from incarceration back into society. His venture, Cartridge Buy Back, addresses both environmental sustainability and social impact by collecting unused and unwanted printer cartridges from offices and homes, recirculating them through sales on his eBay store. This innovative approach not only reduces waste but also provides flexible employment opportunities to individuals leaving prison. The profits generated by Cartridge Buy Back are reinvested into a range of resettlement-focused grants, specifically designed to help people in the justice system find work and rebuild their lives. Since its inception, Alexander has reinvested £2000 into the cause and continues to witness growth, both in his business and its positive societal impact.



Outcomes

A baseline and endline survey was administered to evaluate three main impact areas set out by the programme. The data being presented in the final report is a comparison of the baseline and endline surveys completed by 24 participants. The questions were around Circular Economy and Climate Knowledge, Access to network and Business Skills.

Climate and Circular Economy



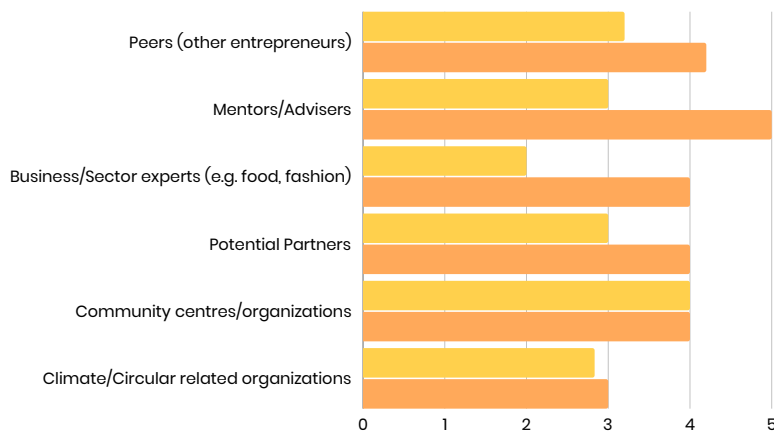
According to the survey result, there was a 26% increase in climate knowledge. The largest increase was “in awareness on the climate change space in London” at 38%.

The programme offered robust support, enabling participants to immerse themselves in London's circular economy movement. Esteemed institutions such as Doughnut Economics Action Lab and ReLondon conducted workshops to aid participants in developing sustainable business models. Additionally, participants benefited from expert insights through panel discussions, networking events, and encouragement to forge connections relevant to their businesses.



Network

The programme placed significant emphasis on encouraging participants to actively participate in London's expanding climate sphere, directing them towards over 150 events and facilitating introductions to industry experts.



Following programme completion, notable increases were observed in the engagement of business sector experts, mentors, and advisors. This was made through strategic mentor matching ensuring that participants receive high quality mentorship from experts in their respective fields.



Mentor in focus

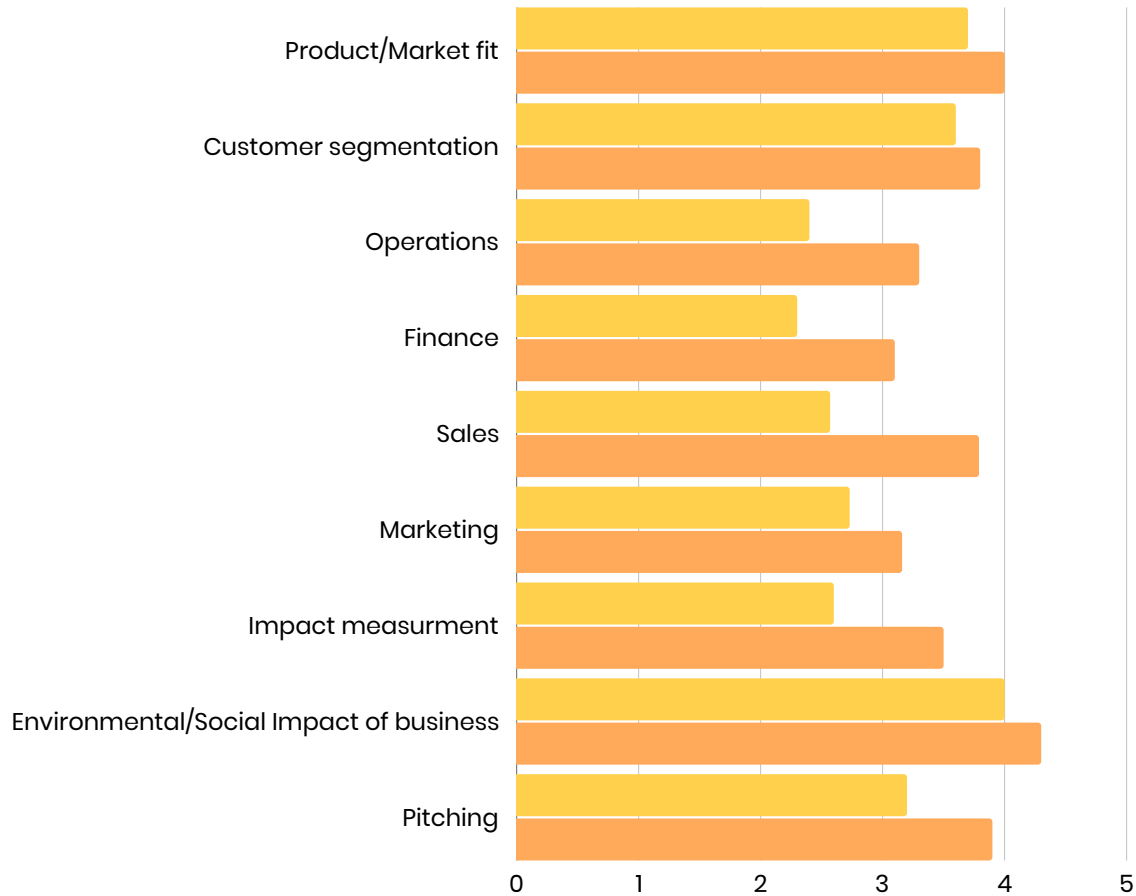
Radha Daniel, a seasoned business consultant with over a decade of experience in waste management and Circular Economy projects. With a specialization in industrial symbiosis, Radha has a deep-rooted passion for enhancing resource efficiency and crafting eco-friendly designs to meet ambitious environmental targets.

Drawing from a background in design management and previous roles in advertising and print sectors, Radha's expertise has evolved over the years, providing a unique perspective in driving sustainability initiatives.

“Being mentored by Radha and having access to the Expert Panel (Michael's business start-up legal advice) was by far the most helpful aspect of the programme for me. Radha, challenged, encouraged and is my greatest cheerleader, without her support CartridgeBuyBack would not be where it is today, registered and trading successfully.”
 –Alexander Rose, Founder, Cartridge Buy Back



Business Skills



The analysis of business skills among participants reveals a positive trajectory overall, with significant improvements observed in several key areas. Notably, majority of the participants were confident in their product/market fit and Environmental/Social Impact of the business.

Finance and operation, despite being scored moderately saw a significant improvement (31% and 30% respectively). This remains to be areas which would require further upskilling. Additionally, while skills in sales and pitching demonstrated substantial improvements of around 48% and 50%, respectively, there is room for refinement in areas like marketing which experienced more modest changes (ADD IN BARACKETS). These results are indicative of a start-up business and could improve overtime in the entrepreneurs journey as there business develops.

Venture Data

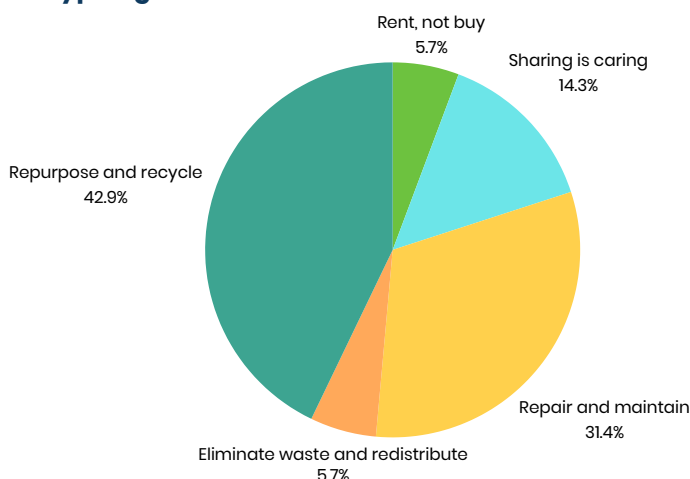


As an incubator, the programme has provided comprehensive support to participants throughout the ideation, testing, and launch phases of their businesses. While the ventures reached varying stages of development, we have documented notable economic and social gains through the business activities.

Economic and Social Gains



CE Typologies in Business Model



"Categorizing the business models according to circular economy typologies, the analysis using the ReLondon framework (ReLondon) revealed a focus on Repurpose and Reuse as the top principle embraced by the entrepreneurs. For instance, Paul Minett initiated "Reversing Fast Fashion," working on repurposing old t-shirts through batch dyeing and collaborating with local artists for artistic t-shirt lines. Repair and Maintain emerged as the second principle, with Sujith Mohnan founding "Next Life," an electronics repair business."



Conclusion

Impact Hub London's the Circular Start-Up programme has demonstrated its effectiveness in nurturing environmental entrepreneurship and fostering inclusivity in London's business community. Through strategic partnerships and comprehensive support, the program has empowered participants to develop sustainable business models, resulting in tangible economic and social gains.

Key learnings from the programme include the importance of targeted support for entrepreneurs from underrepresented communities, the value of strategic partnerships in amplifying the programme's impact, and the need for ongoing skill development to navigate the circular economy landscape effectively. Additionally, the programme's emphasis on collaboration, peer learning, and mentorship has proven instrumental in fostering a supportive ecosystem for entrepreneurial growth.

Looking forward, Impact Hub London is poised to develop more programmes in the intersection of climate, inclusion and entrepreneurship. By leveraging the lessons learned from the Circular Start-Up programme, future initiatives can further amplify impact, drive innovation, and promote diversity in London's business ecosystem. Through continued collaboration and dedication to sustainable entrepreneurship, Impact Hub London remains committed to drive positive change and foster a thriving circular economy community.

2023 Impact Report

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Thank You

Our thanks to JPMorgan Chase for supporting this programme. To Relondon, Ellen McArthur Foundation and Doughnut Economics Action Lab for providing expert support. To our mentors and experts for building this network with us. It is through collective efforts that we are able to foster inclusive entrepreneurship programmes in the climate space.



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